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# DESIGNATION OF A PERMANENT SECRETARIAT AND ARRANGEMENTS FOR ITS FUNCTIONING

Note by the Executive Secretary

## I. BACKGROUND

1. In pursuance of Article 8.3 of the Convention, the Conference of the Parties at its first session (COP 1) "shall designate a permanent secretariat and make arrangements for its functioning."

2. The Intergovernmental Negotiating Committee for a Framework Convention on Climate Change considered this subject at its ninth, tenth and eleventh sessions (see A/AC.237/55, paras. 113-121; A/AC.237/76, paras. 115-126; and A/AC.237/91, paras. 96-128). It organized its deliberations under three headings:

(a) Institutional linkages

(b) Financial rules

(c) Physical location

3. The second of the above subjects was further sub-divided into the following topics:

- Financial procedures

- Convention budget for the biennium 1996-1997

4. In addition, the Committee received regular reports on extrabudgetary funding for the Convention process. This funding is made available for the participation of delegates in the Convention process through the special voluntary fund established under General Assembly

resolution 45/210, paragraph 10, and for the activities of the interim secretariat through the trust fund for the negotiating process, established under paragraph 20 of the same resolution. Both these funds will need to be replenished in order to maintain the Convention process until the end of 1995, after which the Convention budget will come into effect.

5. It is proposed in the provisional agenda for COP 1 that these topics be dealt with in the following order:

(i) Institutional linkage

(ii) Financial procedures

(iii) Physical location

(iv) Adoption of the Convention budget for the biennium 1996-1997

(v) Extrabudgetary funding for the interim secretariat in 1995

## II. DECISIONS BY THE INTERGOVERNMENTAL NEGOTIATING COMMITTEE

6. A number of decisions relevant to this item of the provisional agenda were adopted by the Committee at its eleventh session.

7. On the **institutional linkage** of the Convention secretariat, the Committee decided:

(a) "To recommend to the Conference of the Parties that, taking into account the advice of the Secretary-General and the related comments of the Contact Group of the Committee, as well as the "Understanding on support for the United Nations Framework Convention on Climate Change and cooperation with the Convention secretariat", it decide that the Convention secretariat be institutionally linked to the United Nations, while not being fully integrated in the work programme and management structure of any particular department or Programme. It further recommended that such a linkage be established for a definite duration and include a provision for its review" (A/AC.237/91/Add.1, conclusion (i));

(b) "To invite the Secretary-General of the United Nations to complete his advice by recommending, for consideration by the Conference of the Parties at its first session, an efficient arrangement for administrative support to the Convention secretariat that would ensure proper procedures, controls and accountability, while allowing for managerial autonomy, flexibility and full accountability to the Conference of the Parties" (A/AC.237/91/Add.1, conclusion (j)).

8. On **financial procedures**, the Committee decided:

"to recommend to the Conference of the Parties that it adopt the financial procedures in A/AC.237/L.26". (The edited version of that document is reproduced in A/AC.237/91/Add.1, conclusion (k).)

9. On the **physical location** of the Convention secretariat, the Committee:

"invited the Governments of Canada, Germany, Switzerland and Uruguay to hold consultations before the first session of the Conference of the Parties, with a view to arriving at a common understanding that would facilitate a decision on the physical location of the Convention secretariat" (A/AC.237/91/Add.1, conclusion (l)).

10. On the **Convention budget for the biennium 1996-1997**, the Committee decided:

(a) To request the Executive Secretary "to prepare, for consideration by COP 1, a detailed budget for the biennium 1996-1997, taking into account the discussions of the Committee at its eleventh session, and to circulate this to the Parties as soon as possible" (A/AC.237/91/Add.1, conclusion (m));

(b) "To recommend to the Conference of the Parties that it request the General Assembly, bearing in mind the institutional linkage of the Convention secretariat to the United Nations and the large number of States which are Parties to the Convention, to finance from the regular programme budget of the United Nations the conference-servicing costs arising from sessions of the Conference of the Parties and its subsidiary bodies for the duration of the institutional linkage" (A/AC.237/91/Add.1, conclusion (n)).

11. On **extrabudgetary funding for the interim secretariat in 1995**, the Committee:

"Noted the need for the financial estimates for the interim secretariat's work in 1995 to be further reviewed in connection with the Convention budget for the biennium 1996-1997" (A/AC.237/91/Add.1, conclusion (o)).

## III. POSSIBLE ACTION BY THE CONFERENCE OF THE PARTIES

12. Under this item, the COP may wish to take the following actions and consolidate them in one comprehensive decision:

(a) On the **institutional linkage** of the Convention secretariat to the United Nations:

(i) To act in accordance with the recommendation of the Committee on this subject (see paragraph 7 (a) above);

(ii) To consider and act upon advice to be provided by the Secretary-General of the United Nations on an arrangement for administrative support to the Convention secretariat;

(iii) To determine the level and term of office of the head of the Convention secretariat, in order to enable the Secretary-General to make an appointment to this post after consultation with the COP through its Bureau;

(b) On **financial procedures**:

(i) To adopt the financial procedures recommended by the Committee;

(ii) To adopt an indicative scale of contributions to the administrative budget of the Convention for 1996-1997, based upon paragraph 7 (a) of the above-mentioned financial procedures;

(c) On the **physical location** of the Convention secretariat:

To consider further the question of the physical location of the Convention secretariat, with a view to reaching a decision on this issue;

(d) On the **Convention budget for the biennium 1996-1997**:

(i) To adopt a budget for the biennium 1996-1997, in accordance with paragraph 4 of the recommended financial procedures, on the basis of the proposal by the Executive Secretary;

(ii) To request, as recommended by the Committee, the General Assembly of the United Nations to finance the conference-servicing costs of the Convention process from the programme budget of the United Nations;

(iii) To invite the Parties, taking into account paragraphs 8 and 10 of the recommended financial procedures, to pay their contributions promptly and in full on the basis of the indicative scale of contributions to be adopted by the COP;

(iv) To further invite the Parties to contribute to meeting the other voluntary funding needs for the biennium;

(v) To determine the level of the working capital reserve, in accordance with paragraph 14 of the recommended financial procedures, and the period over which the reserve should be constituted, taking into account the proposal by the Executive Secretary in the context of the budget;

(vi) To take other decisions, as may be needed, regarding the management of the budget, the funding of the Convention process early in the biennium and the review of the budget by the COP at its second session.

(e) On **extrabudgetary funding for 1995**:

To consider and, if possible, endorse the revised estimates of extrabudgetary funding needs in 1995 presented by the Executive Secretary.

13. A comprehensive decision containing these elements could be prepared under the auspices of the Committee of the Whole. The process towards a decision could provide for the review of financial matters, including the budget, in an informal open-ended group (see A/AC.237/91, para. 107).

## IV. DOCUMENTATION

14. In addition to the above-mentioned conclusions contained in the report of the Committee on its eleventh session, the Conference will have before it the following documents under this item of the provisional agenda, as addenda to the present note:

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| FCCC/CP/1995/5/Add.1 | proposing indicative scales of contributions to the administrative budget of the Convention in 1996 and 1997 |
| FCCC/CP/1995/5/Add.2 | containing the proposed Convention budget for the biennium 1996-1997 |
| FCCC/CP/1995/5/Add.3 | containing revised estimates of extrabudgetary needs in 1995 |

15. Any advice received from the Secretary-General concerning an arrangement for administrative support to the Convention secretariat will be contained in a further addendum.

16. The following documents from the eleventh session of the Committee remain relevant to the item in general or to parts thereof:

(a) General

A/AC.237/79/Add.5 Conclusions of the Contact Group on the permanent secretariat

(b) Institutional linkage

A/AC.237/79/Add.1 Institutional linkages. Advice by the Secretary-General of the United Nations on an institutional arrangement for the permanent secretariat

A/AC.237/79/Add.6 Understanding on support for the United Nations Framework Convention on Climate Change and cooperation with the Convention secretariat

(c) Physical location of the Convention secretariat

A/AC.237/79/Add.4 Physical location. Compilation of information from potential host Governments

A/AC.237/Misc.45 Designation of a permanent secretariat and arrangements for its functioning. Compilation of offers by Governments to host the permanent secretariat

(d) Convention budget for the biennium 1996-1997

A/AC.237/79/Add.3 Budget outline for the permanent secretariat

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